

2017-2018



A QUICK GUIDE FOR ENTERING STUDENTS UNDERSTANDING FINANCIAL AID

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CONTENTS

- How Your Award Was Determined
- Tuition, Fees, and Billing
- Outside Awards
- Supplemental Loan Programs
- Loan Education and Counseling
- Ways to Reduce Debt
- What You Will Need To Do Upon Arrival on Campus
- Additional Information
- Special Features of the HMS Financial Aid Program

How Financial Aid Awards Are Determined

Harvard Medical School awards all financial aid solely on the basis of demonstrated financial need. Parent financial information is an important factor in determining eligibility for institutional grants and loans.

Family Contribution. Our methodology for calculating parental contribution is based on national standards used widely by US medical schools. *If your HMS calculated parent contribution appears to be significantly discrepant from the parent contribution calculated by other medical schools, please let us know so that we may review your file to see if adjustments to our calculation are warranted.* Should family circumstances (including number of family members enrolled at a college/university) remain constant, your family contribution should remain similar in future years.

The Unit Loan. For students who provide parent information and demonstrate need according to Harvard Medical School criteria, the Financial Aid Committee uses a concept referred to as the Unit Loan to package aid awards. The "unit loan" is a package of loans offered to meet the initial portion of

each applicant's financial need. Students with calculated need in excess of the unit loan receive HMS scholarship aid up to tuition and fees to meet any need remaining after the unit loan is applied.

A unit loan level is established for each entering class and remains fixed at that level for all members of that class until graduation. The unit loan for the incoming class of August 2017 is \$33,950; all students from this class who provide parent information, demonstrate at least \$1 of financial need, and meet federal loan eligibility standards will be offered a minimum award consisting of a \$33,950 unit loan package.

Applicants not eligible for the Unit Loan. Students who do not provide parent information and/or do not meet the financial need criterion for the Unit Loan program remain eligible for federal student aid programs. The typical aid package offered to these students is a loan package consisting of a Federal Direct Unsubsidized loan of \$44,944 for the 11 months Pathways Curriculum and \$42,722 for the 10 month HST Curriculum. *Please note loan terms are subject to change.*

Note: students intending to fund the majority of their cost of attendance through loan sources are encouraged to discuss the implications of this decision with their HMS financial aid officer prior to accepting the HMS offer of admission.

Appeals Process. The award total stated on your award letter should be considered final for the entire year. A student who feels that exceptional family circumstances have not been fully considered in the review of his/her application should discuss those concerns with his/her Financial Aid Officer (surnames A-K: Sarah Carey; surnames L-Z: Yolanda Paul). A confidential appeals process is available for those students with unique circumstances that might possibly warrant an exception to standard HMS financial aid policies. Because the Financial Aid Committee reviews appeals cases for incoming students in late April, your petition and accompanying documentation must be submitted by April 20th. If there are changes in your circumstances after April, the Committee will be holding another appeals meeting for the 2017-18 academic year in October. For more information, please contact the Financial Aid Office.

Tuition, Fees and Billing

Please review the [2017-2018 Cost of Attendance Budget](#) for your Program to view your student charges. Harvard bills by semester. Announcement of the fall bill is e-mailed to you in mid-July, and the spring term bill announcement is e-mailed in late fall. Please note that this announcement will be mailed to your official Harvard e-mail address (which will be provided to you in June). Your bill will automatically list the proceeds from your financial aid award as an anticipated credit. You will need to pay only the difference between the billed charges and your anticipated aid; if your anticipated aid exceeds the billed charges, no payment is necessary. A monthly installment plan is available; detailed information will be sent with the fall bill.

Any aid awarded in excess of tuition and fees is available to you for your living expenses. *Keep in mind that these funds are not available to incoming students until after registration; at registration you may request a \$1,000 advance to cover these living expenses until the financial aid is disbursed in September.*

Outside Awards

All applicants for HMS financial aid are encouraged to seek additional sources of funding. If you receive an outside scholarship, HMS will first apply your award towards replacing your parent contribution. After the parent contribution has been fully replaced, we then make a dollar for dollar

adjustment to the aid package, starting with least favorable loan. HMS Scholarship is reduced only after all other funds have been replaced.

Note: You have been asked to notify us of your outside awards when you return your signed award letter. If you receive notification of an outside award after you have submitted your signed award letter, you must notify the HMS Financial Aid Office in writing of the amount and source of your outside award.

What if my family and I can't meet the difference between the total aid and the student budget?

Supplemental Loan Programs

You may wish to consider borrowing additional loan funds to finance the family contribution. Unsubsidized loan programs are available to meet the difference between the financial aid package and the student budget. These loans generally accrue interest from the day funds are disbursed, but payment may be deferred until after graduation. Keep in mind that the total of all your aid cannot exceed the student budget figure listed on your award letter.

Additional Federal Direct Unsubsidized Loan (available to U.S. Citizens and Permanent Residents): If your total Federal Direct Unsubsidized Loan borrowing is under \$44,944 for the 11 months Pathways Curriculum or under \$42,722 for the 10 month HST Curriculum, you may wish to consider increasing your total Direct Unsubsidized borrowing to the federal annual borrowing ceilings mentioned above. *To request additional Unsubsidized Direct Loan, write in the desired amount on your signed award letter to be returned to the HMS Financial Aid Office.*

Federal Direct PLUS Loan (available to U.S. Citizens and Permanent Residents): The Direct PLUS Loan program is available to students who have reached the annual or lifetime maximum loan limits in the Direct Unsubsidized Loan program. The loan terms are described in a chart at the end of this handout. Additional information regarding the Federal Direct PLUS Loan is available in the Financial Aid Guidebook, located in the 'Publications' section of the HMS Financial Aid website at www.hms.harvard.edu/finaid.

Private Educational Loans: Students who are not eligible for federal funds may borrow, if necessary, from supplemental private loan programs. To assist students who are considering supplemental private loans, a variety of options are available via the Harvard University Student Financial Services iSite at: <http://sfs.harvard.edu/private-loan-options>

International and DACA-eligible students offered the \$33,950 unit loan package have the option of choosing a loan that does not require a US cosigner to cover the supplemental loan portion of the award. The Harvard University Employees Credit Union (HUECU) International Harvard Graduate Student loan is available without a US cosigner to fund up to \$26,950. International and DACA-eligible students who do not qualify for the unit loan package or who are seeking supplemental funds to cover an expected parental contribution are ineligible to receive those funds from the HUECU International Graduate Student loan; private loan options requiring a US cosigner are available for review at this iSite. Please note that the listing of loan programs on the iSite serves as a reference and is not necessarily comprehensive; students have the option to choose private educational loan options not contained on the iSite.

Loan Counseling and Financial Literacy Education at HMS

Harvard Medical School provides a comprehensive loan counseling and financial literacy education program. Our students receive individualized and ongoing loan management and financial literacy counseling throughout their enrollment. Our program enables our students to be informed borrowers and successfully commit to loan repayment obligations.

First Year Students

- Mandatory group loan counseling meetings are held at the beginning of the fall semester. In addition, required individual loan entrance counseling sessions are held during the months of August and September. At these meetings, Financial Aid Officers will discuss the terms and repayment schedules of the student loan programs and the rights and responsibilities of the borrower. Students are given individual projections of their educational debt at graduation. The Financial Aid staff guides participants through budgeting strategies to help minimize borrowing levels.

Second and Third Year Students

- One mandatory group loan counseling meeting will be planned between the second and third year. The group meeting will be scheduled during the lunch hour or in the early evening and last approximately 90 minutes. Additionally, all students will be required to update, track and calculate their annual HMS debt and projected repayment on the free [AAMC Medloans Organizer and Calculator](#).

Fourth Year Students

- Mandatory loan exit interviews are held during the months of March, April and May prior to May graduation. The purpose of the interview is to disclose the loan repayment schedule, discuss budgeting strategies and loan terms, answer questions and concerns of the student, etc. All graduating students who received any type of loan while at HMS must attend an interview.

Is there any way to reduce my debt?

There are a few common ways that students reduce their debt levels:

Keep your living expenses down. Many students find that the living expense estimates used in calculating the student budget are quite generous. By living frugally, you may find that you can reduce your dependence on loans significantly.

Consider employment. Many work-study positions are available on campus that complements the MD curriculum. Visit the Student Employment Office at: <http://www.seo.harvard.edu>.

Apply for outside scholarships. Students are also encouraged to explore external resources. Please refer to our online [Outside Scholarship Opportunities](#).

What else do I need to do?

To complete the financial aid process, you will need to do the following when you arrive on campus in the fall:

Entrance Counseling and One-on-One Interview: All first year student borrowers are required to attend a loan counseling and financial literacy education group information session providing general information concerning loans available at HMS. In addition, all first year student borrowers are required to attend an individual session scheduled with a financial aid officer early in the fall semester. During this meeting, you will be introduced to the repayment terms of your particular student loans, and we will provide you with projections of your future earnings and loan payment obligations. Additionally, online entrance counseling will be required.

Loan Signing: *Instructions will be sent to students in August.*

First-time Direct, Perkins, LDS, HMS Revolving and HMS Wolfson Loan borrowers must complete an electronic master promissory note for each loan program before loan funds can be disbursed. Borrowers will receive detailed instructions in the fall when electronic promissory notes are available for completion.

Additional Information

Please feel free to call the Financial Aid Office should you have additional questions. We encourage you to check out [The 2017-18 HMS Financial Aid Guidebook](#) and other important resources on our website at: <https://hms.harvard.edu/departments/financial-aid-harvard-medical-school>

HMS Loan Program Servicer Contact Information:

Harvard University Student Loan Office

Phone: 800-315-7192 or 617-435-3782

Website: <http://studentloans.harvard.edu>

Ford Federal Direct Subsidized and Unsubsidized Stafford Loan and Graduate PLUS Loan

Lender: Direct Loan Servicing Center

[Direct Loan Servicers](#) (Please see [NSLDS](#) to view the servicer that your Direct Loan has been assigned)

Phone: 800-848-0979

Harvard University Employees Credit Union Loan

Phone: 800-723-2210

Website: www.huecu.org/student-loans (lender) www.uaservice.com (servicers)

Loan Programs – At a Glance

Loan Type	Type of Subsidy	Repayment Terms	Interest Rate	Servicer
HMS Revolving Loan	In School	10 years	5%	Harvard University Student Loan Office
Wolfson Loan	In School and up to 54 months in residency	10 years	7%	Harvard University Student Loan Office
Loan for Disadvantaged Students	In School and Residency	10 years	5%	Harvard University Loan Office
Federal Direct Unsubsidized Loan	None	Different options	2017-2018: TBD 2016-2017: 5.31% 2015-2016: 5.84% 2014-2015: 6.21% 2013-2014: 5.41% 2006-2013: 6.8% For Year Prior: view NSLDS	View Direct Loan Servicer on NSLDS
Federal Direct Graduate PLUS Loan	None	Different options	2017-2018: TBD 2016-2017: 6.31% 2015-2016: 6.84% 2014-2015: 7.21% 2013-2014: 6.41% 2006-2013: 7.9% For Year Prior: view NSLDS	View Direct Loan Servicer on NSLDS
Harvard University Employees Credit Union	None	15 years	Prime +3.5% (no co-signer)	University Account Services, UAS

Special Features of the HMS Financial Aid Program

- All HMS students are considered equally meritorious; all awards are based solely on demonstrated financial need.
- The unit loan amount assigned to members of the 2017 entering class is guaranteed not to increase during their enrollment at HMS.
- While the HMS policy of applying the same unit loan to all applicants results in a high need threshold for scholarship eligibility, it also ensures that the borrowing expectation for our highest need students is no larger than that of any segment of the unit loan applicant pool.
- The HMS grant budget is consistently ranked in the top 5 among US medical schools.
- In 2007 HMS eliminated the mandatory \$1,500 minimum student contribution for students applying for institutional funding.
- In 2008 HMS implemented the Middle Income Initiative, reducing the parental contribution for its families with greatest financial need.
- In 2008 HMS eliminated the use of parent tax deferred retirement income from the institutional need analysis.
- The average debt (including undergraduate loans) for the HMS graduating class of 2016 was \$101,489. This average compares favorably with the national private medical school average of \$203,201.
- In 2006 HMS launched a loan forgiveness program that provides debt relief to graduating students who are pursuing careers in public service. Funding for this program currently is available through 2017.
- In 2011 HMS launched an additional loan forgiveness program that provides debt relief to graduating students who are pursuing careers in global health delivery. Funding for this program currently is available through 2020.

The HMS Financial Aid Staff

Please feel free to contact us with your questions and concerns. We look forward to working with you and your family during your years at Harvard Medical School.

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